



PSC NEWS

Missouri Public Service Commission

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FY-06-176

FOR IMMEDIATE RELEASE

MARCH 7, 2006

PSC APPROVES AGREEMENT IN SPRINT NEXTEL/EMBARQ CASE

JEFFERSON CITY—The Missouri Public Service Commission has approved an agreement which authorizes the transfer of Sprint Missouri, Inc., Sprint Long Distance, Inc. and Sprint Payphones Services, Inc. from Sprint Nextel to Embarq.

In its application, Sprint Nextel asked the Commission to approve its plan to spin-off its wireline local service operation into an independent, stand-alone operation. A new holding company (Embarq) has been created to take control of Sprint Missouri, Inc., Sprint Long Distance, Inc. and Sprint Payphone Services, Inc. These entities will continue to provide the same service to existing customers under the Embarq name.

The agreement approved by the Commission was submitted by Sprint Nextel, the Office of the Public Counsel and the Public Service Commission Staff. The Office of the Public Counsel represents the general public in cases before the Commission.

The above parties agreed that the Commission should approve the application and allow the spin-off to proceed, subject to several conditions spelled out in the agreement. Subject to those conditions, the parties believe the transaction proposed in Sprint Nextel's application is not detrimental to the public interest.

As part of the conditions for approval of the application, Sprint Missouri, Inc., Sprint Long Distance, Inc. and Sprint Payphone Services, Inc. will continue to offer the same full range of products and services to existing customers that they offered the day prior to the separation, at the same prices, and under the same terms and conditions. In addition Sprint Missouri, Inc. commits to continue to invest in new technologies designed to bring the benefits of broadband capabilities to all its customers throughout its service areas. The agreement also calls for Sprint Missouri, Inc. to commit that it will continue to employ sufficient technical and managerial resources to thoroughly and adequately meet the Commission's quality of service objectives.